

Coffman Demands Changes in China's Trade Policy

Calls Restrictions on Rare Earth Exports Unfair

(WASHINGTON) — Today U.S. Rep. Mike Coffman (R-CO) publicly released a draft letter demanding U.S. Trade Ambassador Ron Kirk file a complaint with the World Trade Organization against China over unfair trade practices regarding export restrictions on rare earth oxides and metals. The draft letter was sent to every member of Congress soliciting their support for a U.S. led WTO complaint against China.

“Rare earths are the key to technological innovation and the growth of green energy jobs. They are also critical to U.S. national security. Currently, the world is nearly 100 percent reliant on Chinese exports for these vital materials. But China has been reducing its export quotas every year since 2006, and has announced a further 11 percent reduction for 2011,” Coffman wrote in his letter.

Coffman drafted his letter after reading a news report on a recent WTO preliminary ruling which concludes, according to an article printed in the Wall Street Journal on February 18, that it is illegal for China to impose trade restrictions on various raw materials. The WTO report was a response to a complaint filed in 2009 by the U.S., Mexico, and the European Union against China's export restrictions on raw materials vital for making steel and aluminum. In his letter, Coffman stated the WTO should take the same action against China regarding its trade policy on the 17 minerals known as rare earth elements.

“A disruption in supply could jeopardize national security, hinder our long term efforts to achieve domestic energy security, and damage our world-leading high tech industries. While our nation must act to correct our domestic rare earth supply chain problem, we must also recognize that the lack of a level playing field for trade policy is harmful,” Coffman stated in his letter.

[Click here to read the draft letter](#) (PDF).

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